AMO REPORTS 85-2

AMO RESPONSE TO "ONE-STOP SERVICE: A JOINT PROVINCIAL-MUNICIPAL REPORT ON PROJECTS TO TEST A PROPOSED NEW METHOD OF DELIVERING INCOME MAINTENANCE BENEFITS TOGETHER WITH NEW SUPPORTS FOR THOSE SEEKING EMPLOYMENT"

THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO
MARCH 1985

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ASSOCIATION OF MUNICIPALITIES OF ONTARIO

The Association of Municipalities of Ontario, a non-partisan voluntary organization, is united to promote the values of the municipal government system and the status of the municipal level of government as a vital and essential component of the total intergovernmental framework of Ontario and Canada.

The Association acts as the collective voice of Ontario's municipal governments and is organized to accomplish through cooperation and coordination, what the majority have neither the time nor the resources to do individually.

The Association represents some six hundred (600) municipal governments throughout Ontario. The governing body is composed of some eighty (80) municipal elected and appointed officials, who in turn represent a wide-range of municipal government interest.

The following sections and affiliated municipal professional associations form an important part of the Association's structure and therefore, play an important part in its activities in terms of the Board of Directors, program and policy development:

Association Sections:

* County and Regional Section
* Large Urban Section
* Northern Ontario Section (FONOM/NOMA)
* Rural (ROMA) Section
* Organization of Small Urban Municipalities Section

Association Affiliates:

* Association of Municipal Clerks and Treasurers of Ontario
* Association of Municipal Tax Collectors of Ontario
* Municipal Engineers Association
* Ontario Municipal Administrators Association
* Ontario Municipal Personnel Association
* Ontario Municipal Social Services Association
* Society of Directors of Municipal Recreation of Ontario

To the Municipal Clerk:

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AMO Report 85-2 was submitted to the Honourable Robert Elgie, Minister of Community and Social Services and to the Honourable Dennis Timbrell, Minister of Municipal Affairs and Housing, on March 7, 1985.

AMO RESPONSE TO "ONE-STOP SERVICE"

INTRODUCTION

On June 1, 1981 the Honourable Frank Drea, Minister of Community and Social Services, announced to the Annual Conference of the Ontario Municipal Social Services Association that the Government of Ontario was considering transferring the responsibility of the Family Benefits program to municipalities, to be administered as an integrated income maintenance program. Over the course of the next year, AMO expressed great interest to the Minister regarding his intentions, and repeatedly requested information and consultation on this social service initiative. Also during this time period, the Ministry established seven test municipalities for the integration of Family Benefits/General Welfare Assistance and Employment Support Initiatives, and two pilot projects for only the Employment Support Initiatives program directed to welfare recipients.

The Association in August of that year stated to the Ministry of Community and Social Services that "while it was recognized that an individual municipality may accept the Minister's offer to become a pilot project, this should be done only on the condition that the Minister immediately commence negotiations with AMO with respect to the financial and administrative details".

Early in 1983, the Ministry established the Provincial-Municipal Steering Committee on Integration Monitoring and Evaluation. In making its appointments to this Steering Committee, the AMO Executive Committee expressed its concerns with respect to this evaluation process, particularly the restriction to two Association participants. The Association, however, did agree to participate on the provincial-municipal committee and stressed to the Minister that its participation did not imply endorsation of the concept.

AMO Appreciation

The Association is appreciative of the efforts of its two representatives on the Joint Steering Committee on Integration Monitoring and Evaluation; Sterling Campbell, Alderman, City of Sudbury, and Jack Menard, Councillor, County of Essex. Both have devoted a considerable amount of time and effort over a period of two years in presenting the views of municipalities to this provincial-municipal process.

The Association also expresses its gratitude to William Rice, Chief Commissioner, City of Sudbury; Dana Howe, Commissioner of Social Services, City of Windsor and to Charles MacLean, Senior Auditor, City of Windsor, who served as AMO representatives on the fiscal sub-committee of the Steering Committee. The Association records similar appreciation to Rick Anderson, Personnel Commis-

sioner, Regional Municipality of Ottawa-Carleton and Murray Hynes, Personnel Director, City of Peterborough, who served as its representatives on the personnel sub-committee of the Steering Committee.

The work of these sub-committees, initiated in the summer of 1984 at AMO's request, adds a valuable perspective to the evaluation.

In August 1984, the Minister of Community and Social Services, the Honourable Frank Drea, addressed the AMO Annual Conference tabling the "Preliminary Findings" of the Integration Monitoring and Evaluation Steering Committee. The Minister indicated his support to the Association Conference of the following recommendations of this Provincial-Municipal Steering Committee:

> **That the province should proceed with plans to implement, at the municipal level of social services, an integrated system of income maintenance delivery for able-bodied recipients.**
>
> **An integrated system of delivery should be implemented on a voluntary basis, through negotiation between the province and each municipality opting to join the system.**

At the same time, the Honourable Frank Drea announced to the delegates of the AMO Annual Conference his intention of establishing a "special committee comprised of representatives from the Ministry and the Association of Municipalities of Ontario ... to examine existing arrangements for funding income maintenance administration and delivery, in light of anomalies that have been pointed out by the integration test projects".

The Association has not, at this time, concluded with the Minister of Community and Social Services, the terms of reference, the time-frame and the composition of the working group for this study. However, it hopes that agreement can be finalized within the very near future.

AMO Special Policy Integration Committee

In light of the potential impact of this proposed integration program to all municipalities involved in the delivery and administration of income maintenance programs, the AMO Board of Directors, in August 1984, established a special committee to review in depth and prepare an analysis of the final report of the Joint Steering Committee on Integration Monitoring and Evaluation.

The task of the AMO Special Policy Integration Committee has been a difficult one, in that the report being analysed was not officially released, in full, until December 24, 1984. The Committee reviewed the document in various stages of preparation during the months of October and November 1984. As well the Com-

mittee sought first-hand information from the test municipalities themselves, on the potential impact of an integrated income maintenance delivery system.

It became obvious through the review of the material available that the final Steering Committee report, when released, would not contain the comprehensive financial data on an integrated delivery system. The final document "One-Stop Service" has a section on the cost-savings as realized by the pilot municipalities; however, the document does not contain a detailed financial analysis required for a thorough cost-benefit evaluation of integration. This detailed cost-benefit evaluation of FBA/GWA integration has been previously requested by AMO.

With respect to the Employment Support Initiatives program financial data is available, in an extensive consultants report "A Study of the Employment Support Initiatives Projects" by Community Concern Associates. Municipalities, hopefully, will have access to these comprehensive supplementary documents of "One-Stop Service" to assist them in their evaluation and decision-making regarding the new support program for those seeking employment.

The Association must also stress that many aspects of the Ministry's new approach regarding income maintenance delivery can be implemented successfully without integrating the administration of FBA/GWA. The major source of cost-savings has been cited as the speedier transfer of cases from the GWA system (municipal) to the FBA system (provincial). This, plus the benefits of the employment support program can be achieved without the integration of FBA/GWA programs.

In its review of the report "One-Stop Service" AMO cannot reach any final conclusions with respect to FBA/GWA integration at the municipal level, or regarding the Employment Support Initiatives program, until a final decision with respect to a new cost-sharing formula for social services has been reached. In discussions with pilot project municipalities, it has been deduced that the future of an integrated delivery system of FBA/GWA is dependent upon the implementation of a new social service cost-sharing formula.

In the interim, the Association of Municipalities of Ontario wishes to advise its membership of matters yet unresolved with respect to the proposed integration of FBA/GWA at the municipal level, and regarding the Employment Support Initiatives program. As well, AMO seeks further information and clarification of the Minister's future plans regarding these proposed policy and program changes prior to any decision-making by the municipalities of the province.

UNRESOLVED ISSUES

The Association of Municipalities of Ontario presents the following series of questions to its membership, particularly those contemplating the possibility of offering an integrated income maintenance delivery system to its citizens, for the purpose of assisting these municipalities in its decision-making on this matter. The concerns raised, also include specific points regarding the new support services for those seeking employment.

The Association of Municipalities of Ontario also presents this series of questions to the provincial government, as part of the on-going provincial-municipal consultative process on social service issues.

UNRESOLVED ISSUES REGARDING THE INTEGRATION OF FAMILY BENEFITS/ GENERAL WELFARE ASSISTANCE

1. <u>What is the provincial government's long-range corporate strategic plan for income maintenance delivery?</u>

The Executive Summary of "One-Stop Service" contains only a brief reference to the future goals of the Ministry of Community and Social Services.

> "...(The report) deals with delivery of these programs in light of historical developments, present problems, and needs and future goals." (page 2)

It is necessary that municipal legislators become fully aware of the proposed policy changes in the delivery of FBA/GWA in relation to other social service policy matters. It is suggested, on page 4, that "pensioners" will continue to receive their services through a provincial worker "for the present". A future change in provincial objectives, with respect to this aspect of social service delivery, will have important implications for municipal governments.

If an integrated delivery system at the municipal level proceeds, there will be a greater impact than the revision of administrative delivery mechanisms. Regulatory changes will be required. The Association therefore requires clarification and information on the Ministry's schedule for regulatory and program changes for an integrated income maintenance delivery system, and related services. As well, the Association would like to know if there will be new legislation introduced to consolidate and streamline the changes made.

2. <u>What were the alternatives examined by the Ministry of Community and Social Services in arriving at its decision to evaluate by test projects an integrated system at the municipal level only?</u>

The Association would appreciate background information on the Ministry's decision not to conduct a test project for integration of FBA/GWA at the provincial level. As well, did the Ministry explore the possibility of establishing a pilot study for integrated delivery at the provincial level, with the employment support service delivery at the municipal level?

The report "One-Stop Service" is based on the premise of analysis of a municipal integrated delivery system only.

> "Its chief recommendation is an integrated system of delivery at the municipal level of government - - in the best interest of clients and taxpayers alike." (page 2, Executive Summary)

To support this premise quotations from a number of provincial commissions for the review of regional governments are contained throughout the document.

The Association of Municipalities of Ontario has been aware for some time of the recommendations of the regional government review commissions on many issues, social service delivery being only one. AMO in its examination of these historical documents also wishes to point out to its membership and to the provincial government those extracts from the provincial commissions not included in "One-Stop Service" particularly those which emphasized the linkage between an integrated income maintenance delivery system and the need for a new social assistance funding formula. Elaboration of this concept is contained later in the Association's comments regarding financial concerns.

AMO notes that the report "One-Stop Service" acknowledges that the Steering Committee did not address the question of "which level of government should bear the ultimate responsibility for social duties such as aid for the unemployed. Those matters are properly addressed in the ongoing process of debate and negotiation that is an integral feature of the Canadian system of government" (Executive Summary, Page 3). However, the Association of Municipalities of Ontario, as the voice for the municipal level of government, would be remiss if it did not point out the desirability of other types of pilot projects or alternatives for study, for a more comprehensive approach to this issue.

There have been many studies through the years which could be cited to debate the question of the appropriate level of government for the delivery of this service. An example is contained within the first task force report on Metropolitan Toronto. Senator Goldenberg stated:

> "While it is generally agreed that the personal services directly affecting the individual citizen require a local unit of administration, it is also agreed that such units must be adequate for the purpose. Small autonomous units with limited resources, like some area municipalities, cannot provide the range of services"1.

3. What are the details for delivery of an integrated income maintenance system in areas with unique municipal structures, currently not addressed in the pilot projects?

The Association prior to determining its position on this issue, particularly in relation to the diversity of municipalities across the province, requests responses to the following:

How will services be delivered in northern areas where there are district boards, not one municipality?

How will services be delivered in counties, where the delivery of social services has not been consolidated at the county level?

How will services be delivered in unorganized townships?

How will services be delivered in separated cities?

Chapter Four of "One-Stop Service" states that "Ontario's industrial and urban character, with its well-developed system of local government is a powerful argument, then, for delivery of social services, especially income maintenance - - to the extent that is feasible and desirable, - - at the municipal rather that the provincial level" (page 32).

AMO appreciates the recognition being accorded to local government, but also stresses the rural and non-urbanized character of a large number of municipalities across the province.

4. How does the province anticipate to negotiate with AMO to determine general minimum standards for income maintenance delivery?

It has been observed that an increased level of service has occurred in the pilot projects, pre-supposing that an increased level of service will result in increased costs. For example, one caseworker, as opposed to two caseworkers, could result in more applications for Supplementary Aid. If there are such increased costs to municipalities due to "One-Stop Service", this must be acknowledged in the agreement between the municipality and the province, and ultimately should be addressed in the new social assistance funding formula.

The Association suggests that there should be flexibility for each municipality to consult with the province to develop a system appropriate to its needs and circumstances.

Ultimately when the Ministry outlines the appropriate new legislation, AMO will

review and comment on this draft legislation and assess how the issue of minimum standards has been addressed.

5. In that it is proposed that involvement with an integrated delivery system will be voluntary, what provincial policies will be consistent across the province?

The Association notes the second recommendation of the report "One-Stop Service", that an integrated system of delivery be implemented on a voluntary basis, through negotiation between the province and the municipality. The financial connotations regarding this voluntary and incremental approach are noted later in this document. AMO does have questions with respect to the consistency of social service delivery across the province.

Recognizing the need to reflect local conditions, how flexible will these individual agreements be?

How will a dual system - integrated and non-integrated - be addressed by legislation and regulations?

When minimum standards are developed, there will still be a need for flexibility and initiative for municipalities within all aspects of the new system. To resolve disputes regarding standards of service, AMO suggests that the Ministry investigate the establishment of a provincially funded "Tribunal", whose mandate and composition would be developed jointly with AMO.

In that AMO agrees with the voluntary aspect of opting into this means of delivery, how will inequities to the client created by a dual system of delivery be minimized?

With all the changes in an integrated system, how will the province ensure a good level of service for the residual caseload of "pensioners"? Currently in some pilot project municipalities the waiting period for a "pensioner", applying to the province for benefits, has increased dramatically.

6. In the future, if a municipality not presently a pilot project chooses to become involved with the integrated delivery system, will there be an opportunity for comprehensive comparative analysis?

The province should provide detailed data, by type of case (i.e. pensioners, employables) on such matters as caseloads, finance, administration for a minimum of a twelve month period prior to integration in order that a cost-benefit analysis can be completed.

Funding should be made available for independent analysis to assist each municipality in arriving at a decision.

UNRESOLVED ISSUES REGARDING THE EMPLOYMENT SUPPORT INITIATIVES PROGRAM

7. Will the Employment Support Initiatives (ESI) program continue to be made available to municipalities who choose not to administer an integrated FBA/GWA income maintenance program?

Municipalities may confuse the availability of ESI with the question of voluntary integration in the pilot projects.

Reaction has been favourable concerning the success of the ESI program in the Municipality of Metropolitan Toronto and the Regional Municipality of Ottawa-Carleton which are both ESI pilots, neither of which are FBA/GWA pilot projects.

The availability of ESI should not be linked to the integrated delivery of FBA/GWA.

8. Will guidelines or criteria for establishing Employment Support Initiatives for new or for the future use of municipalities be developed? AMO wishes to ensure that the current flexibility available to municipalities continues.

Chapter Six "Opportunities for Employment" of the report "One-Stop Service" advises that guidelines for the ESI program had been developed by the province and municipalities. The report briefly outlines the key elements of these guidelines (page 54), but detailed information is not contained within the text or appendices of the report. The Association, to develop any conclusive remarks on the ESI program, should be given the opportunity to comment on, and provide input to, any changes to the program's guidelines or criteria for new or future ESI projects.

A set of criteria was developed for the pilot projects allowing the municipality to choose the focus of the ESI program as it defined the method to remedy long-term reliance on income support. This flexibility must be maintained. There has been no indication that a provincial evaluation of these criteria, based on the experience of the pilot projects, has been completed.

9. Considering the overall concern for funding of day care in all municipalities, how will adequate long-term funding be arranged for the subsidized day care requirements created by the Employment Support Initiatives program?

The ESI program creates an additional demand for subsidized day care in excess of demands already existing in the municipality.

Since informal child care associated with ESI is funded one hundred percent and formal municipal day care only eighty percent, the choice of the type of day care which is appropriate should remain with the municipality.

AMO recognizes that informal child care is a viable option for some clients; however, the choice of the type of child care selected must remain with the parent and the municipality. **The long term success of ESI is largely dependent on the continued availability of child care to the ESI participants and graduates.**

The pattern in the pilot project is that the child care need initially generated by involvement in the ESI program continues after the client "graduates" to a job since on average, the jobs obtained were low paying. This issue of long term/short term need and the funding of subsidized day care must be addressed.

The allocation of provincial resources to ESI day care must not be at the expense of existing programs or new day care initiatives in all municipalities.

10. How will the level of funding for the Employment Support Initiatives program be determined?

The total cost of implementation of the ESI program ($3,259,660) is contained within the document (page 56). However, a breakdown of expenses: provincial and municipal, administration, employment counselling, day care, etc. is not provided in the text or appendices. (Some of this data is contained within the consultants' report.) Details regarding the municipal expense of providing an ESI program would be beneficial for all municipalities in their determination of whether to offer this program.

A staffing/resourcing guideline should be developed to assist municipalities in shaping their ESI program to determine costs.

A concern has been raised that in some of the pilot projects the waiting period for a client to become involved in ESI is excessive. If the need is identified by a municipality, is there an opportunity to expand the program? Also, considering that the Provincial Work Incentives (WIN) program is available only to FBA recipients, will there be continued funding for ESI to assist any municipal resident regardless of the source of his/her income? The preceding does have a potential financial impact for municipalities.

In order that municipalities may learn from the experience of other municipalities, and that the province can measure program effectiveness, how will ESI projects, which vary in local circumstances such as mixture of full-time and part-time employment, a mixture of center-based and other types of child care, be evaluated consistently across the province?

UNRESOLVED PERSONNEL ISSUES REGARDING INTEGRATED INCOME MAINTENANCE DELIVERY BY MUNICIPALITIES

The effective management of human resources and, very importantly, the harmonious relationship between employer and employees are integral components in the provision of any service.

The Association, therefore, considers it essential that the following major personnel concerns be addressed, in greater detail, by the Ministry of Community and Social Services.

As well, AMO wishes to advise the municipalities of the province of the following labour relations issues for their future consideration in pursuing the delivery of an integrated income maintenance system.

11. Subsequent to integrating the delivery of social services, there will no doubt be cases where the Ontario Labour Relations Board (OLRB) makes a determination for one bargaining agent. In all likelihood, the collective agreement for the bargaining unit so determined will differ from the other in salaries, terms and conditions of employment. In such cases, is the province prepared to assume the financial responsibility to increase the compensation for either the municipal or provincial social service employees?

The Steering Committee Report "One-Stop Service" does not address the issue of the financial implications of a transfer of personnel. The Association provides the following observations, to clarify this question.

Agreement should be reached to protect the salaries of those workers who are at higher levels of remuneration, until such time as the employees' rates of pay coincide, or on an agreed upon expiry date (i.e. red circling).

Prior to an OLRB determination, in all likelihood each bargaining agent will, following the transfer, seek the best provisions from each collective agreement.

There is a strong possibility that one OLRB decision for bargaining unit representation will serve as a precedent for subsequent determinations.

As the foregoing clearly indicates, the financial and administrative implications are wide-ranged and AMO requests the Ministry to address this very important and costly personnel matter.

12. What measures are being taken by the province to ensure adequate training for both provincial and municipal employees at no cost to the municipality?

Concerns have been expressed regarding, not only the level of training required but, the timing of training. It has been noted that training sessions were conducted as early as six months prior to integration in some of the test municipalities. By the time employees and caseloads were actually transferred much of the knowledge gained through training was lost.

In addition, in small municipalities social service staff are generalists, performing a wide range of social service jobs. AMO is advised that the employees transferred from the province tend to be familiar with FBA cases only.

It has been suggested that pilot project staff could serve a valuable role in employee training for the purpose of FBA/GWA integration. Training teams could be composed of both provincial and municipal staff involved in the pilot projects. As a result, the province and the municipalities would gain from the experiences of the test sites (Chapter Eight, "Staffing a New System", page 72).

Additionally, it is essential that adequate training be provided for all employees involved in the operation of the Comprehensive Income Maintenance System (CIMS). Full funding by the province for the hardware and installation of CIMS is also imperative.

In summary, the province must ensure that adequate staff training is provided, at no cost to the municipality.

13. What will be the impact of employee reclassification? The Association requests the Ministry to respond to the question of reclassification i.e. weighing the integrated job. Additionally, the Ministry must address the issue of equitability in compensation, not only in terms of both levels of social service staff but also in terms of possible distortions which could result between all municipal departments and between regional and local municipal employment conditions which are now maintained at parity.

The Association is aware of at least one pilot project municipality that has undertaken a reclassification study as a direct result of integration.

It is understood that municipalities will undertake this reclassification task based on existing local policies and/or collective agreement procedures.

The province must be prepared to consider the financial responsibility for increases in compensation that result from reclassification studies, as well as costs for conducting reclassification studies as a direct result of administering an integrated system.

With respect to the equitability issue, the Association would stress, once more, that rates of pay between all municipal departments must not be distorted as a

result of integration but must remain equitable for supervisory, support, clerical and other staff throughout the municipal workforce.

In addition, concerns have been expressed regarding regional and local municipal employment conditions that are presently maintained at parity. They, too, must not be distorted.

Should such distortions transpire as a result of integration, the province must be prepared to assume financial responsibility to restore equitability in compensation.

14. There is a possibility that municipalities involved in integration will be required to operate under the jurisdiction of two collective agreements pending an OLRB decision. In light of this possibility, the Association would appreciate the Ministry addressing the following questions/concerns, and perhaps be given an opportunity to discuss these matters with provincial labour relations staff.

    a) For the purpose of promotion, which policies will govern? Which employees will be permitted to apply?

    b) What method will be utilized in preserving the seniority rights, and other existing terms and conditions of employment for both provincial and municipal employees?

    c) If the responsibilities of collective bargaining, grievances and interest arbitrations are also to be transferred to the local level, the province must be prepared to provide adequate funding to pay for legal and administration expenses. Funding may well be required to provide for additional personnel staff.

The responsibility of municipally administering an additional personnel/labour relations system is a significant increase in workload.

One example of the differences in systems, among several, is the fact that provincial social service employees, represented by the Ontario Public Service Employees Union (OPSEU), do not have the right to strike, whereas municipal social service employees, represented by the Canadian Union of Public Employees (CUPE), may have the right or may not.

The province must thoroughly examine all differences in legislative and contractual obligations, as well as the inevitable transfer in administrative responsibility.

UNRESOLVED FINANCIAL ISSUES REGARDING INTEGRATED INCOME MAINTENANCE DELIVERY AND THE EMPLOYMENT SUPPORT INITIATIVES PROGRAM

The financial implications of a municipally delivered integrated income maintenance system have been a contentious issue for the Association since announced by the Minister in 1981.

Linked to this is the Association's belief that total reform of the social assistance funding formula is a necessity.

The Association, on behalf of its membership, must, therefore, ask the following.

15. What are the estimated cost-savings which the Province of Ontario expects to accrue through FBA/GWA integration and ESI, and how will these costs-savings be transferred to municipalities?

Throughout the document, reference is made to the fact that significant cost savings would accrue to both municipalities and the provincial government. Chapter Seven of "One-Stop Service" states:

> "an integrated delivery system presents an opportunity to achieve considerable cost savings for both the municipal and provincial taxpayer." (page 66)

The Chapter "Economics of a New System" outlines in some detail the savings which can accrue to municipalities through integration of income maintenance programs (see pages 64-65). These savings chiefly result from speedier transfer of GWA clients to the FBA system.

The document however does not contain reference to anticipated total dollars saved by the provincial government by this program change. These long range projections of cost-savings for both municipalities and the province would have been useful in assessing the merits of FBA/GWA integration.

16. What are the parameters established by the Ministry for negotiating a cost-sharing agreement? What is to be cost-shared? Will discussions between the Ministry staff and AMO (the proposed Financial Arrangements study) go beyond administrative cost-sharing to include possible program cost-sharing?

Chapter Seven of the report "One-Stop Service" states that the Minister of Community and Social Services, the Honourable Frank Drea, has endorsed the establishment of a special committee, to be comprised of Ministry and AMO

representatives, to "look into the whole matter of anomalies in the financing of administration and delivery of income maintenance to clients who would be served by an integrated system" (page 65).

In 1983 AMO submitted to the ministry its concerns regarding the present cost-sharing formula for social assistance programs. At that time, the Association requested a rationalization of program costs, administration costs and the special assistance formulae.

The Steering Committee noted in its report that its study set in motion "a process in the wider area of provincial-municipal relations, that promises to bring some reforms in social services financing that have long been sought by municipalities at large."

The Association is interested in discussing with the ministry a wide range of issues related to cost sharing not just funding arrangements for an integrated delivery system. It has become almost a tradition that AMO forwards resolutions from its Annual Conferences requesting social assistance funding reform.

To provide a historical perspective on the issue of provincial-municipal social assistance funding, AMO would like to note some references contained in the regional government review commissions which emphasized fiscal reform in conjunction with administrative reform. These references have not been noted in the report "One-Stop Service".

The Stewart Review Commission (Hamilton-Wentworth):

> "...to combine administration of Family Benefits and General Welfare Assistance under the local Social Service Department, and full compensation be made to the municipality for the added costs that will thereby incur."2

The Robarts Commission - (Metropolitan Toronto):

> "Existing intergovernmental grant programs as they apply to Metropolitan Toronto be replaced with three-year cost-sharing agreements for provincial and (where applicable) federal support of municipally administered programs for which there is a recognized financial responsibility on the part of the other levels of government. Such agreements be negotiated jointly by the provincial government and the municipalities in the Metro system."3

17. How does the Ministry of Community and Social Services envision a uniform cost-sharing formula for integrated and non-integrated municipalities?

AMO emphasized the importance of consultation between the ministry and the Association regarding any cost-sharing formula yet to be developed. The Association stresses that the implementation of a uniform cost-sharing formula would result in municipalities emerging as "winners" and "losers". Conditions and circumstances which are not uniform do not lend easily to developing a formula which can be applied uniformly. Before the concept of integration can be endorsed, member municipalities must be assured that a positive cost/benefit ratio exists for those who opt for the proposal.

18. How does the Ministry of Community and Social Services foresee future cost-sharing arrangements regarding the support services necessary to a successful integrated FBA/GWA system?

The report "One-Stop Service", as well as the experiences of the pilot project municipalities, place considerable emphasis on the municipal support services such as employment counselling, retraining programs, child care etc. The impact of the increased reliance on these support programs, particularly the financial impact on the municipality, requires further clarification and study.

19. If, in the future, GWA rates rise to the same level as FBA rates under integration, is the province prepared to guarantee that it will assume 100% of the difference in costs?

Not clear in the report "One-Stop Service" is the question of GWA rates once the delivery of income maintenance is integrated. Should GWA rates equal FBA rates sometime in the future, municipalities and the property taxpayer would, undoubtably, feel the impact.

RECOMMENDATIONS OF THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO IN RESPONSE TO THE JOINT STEERING COMMITTEE REPORT "ONE-STOP SERVICE"

To the provincial government and, in particular, the Ministry of Community and Social Services, AMO:

I) Requests that the Ministry provide for circulation and public comment its position paper on the matter of integration of Family Benefits/General Welfare Assistance and the new support program for those seeking employment.

> Reference is made earlier in this document to the Association's requirements for more information with respect to the provincial government's long-range corporate plan for income maintenance delivery. Therefore AMO requests the circulation of a ministry position paper, similar to the procedures of other provincial ministries for seeking municipal input on all legislative and program changes which affect local governments.

II) Requests that the Ministry provide a clear statement of policy on the following regarding both ESI and an integrated income maintenance program:

> that sole-support parents with children will continue to have the option of remaining at home to raise their children. The Employment Support Initiatives program has been offered to individuals on a voluntary basis. The question of ensuring the voluntary nature of this program for sole-support parents has not been clearly enunciated.
>
> that associated administration costs for an integrated income maintenance program (FBA administration costs) continue to be 100% funded by the province.
>
> that adequate support services and funding for such support services will be provided to those clients seeking training and/or employment.

III) Requests that the province move immediately to implement the following measures, in cooperation with the municipalities of the province:

- speedier transfer of cases from GWA to FBA.
- parental support (court) workers, where requested by the municipality.
- implementation of the Employment Support Initiatives program, where requested by the municipality.

The Association has recommended the above, recognizing that the pilot project municipalities have demonstrated that the cost-savings and benefits of an integrated income maintenance program have been due to the above three factors, independent of the issue of an integrated income maintenance program.

IV) Requests that the provincial capping of federal dollars to the municipality for administrative cost-sharing be removed.

V) Requests that the Ministry of Community and Social Services, aside from providing more time for analysis, also provide comprehensive financial data with respect to present and projected cost-savings to be achieved by the transfer of this functional responsibility to the municipal level of government.

AMO requires further data illustrating cost-savings to the province and to municipalities.

VI) Requests that the Ministry of Community and Social Services develop a similar model at the provincial level for the delivery of an integrated FBA/GWA program, in an urban and/or an urban-rural setting, for true comparative purposes.

VII) Requests that the Ministry of Community and Social Services and municipalities negotiate a review clause in all agreements for an integrated delivery system to cover unforeseen costs which may arise at a later date. There must also be a mechanism initiated for review and monitoring of the actual costs of administering an integrated program.

VIII) Requests that those municipalities presently in negotiations and all future municipalities be provided the opportunity of selecting the provincial employees who are to be transferred to the local level and that those municipalities be given access to the personnel records of the provincial employees.

IX) As well, AMO recommends that it be formalized that employees transferred from the province to the municipality retain the right, for a six month period, of returning to the province. This would not be confused with any probationary period that may be applicable.

To its membership, AMO:

X) Suggests to its member municipalities that municipalities which are considering "volunteering" should ensure that cost-sharing agreements for the administration of an integrated delivery system include:

- 100% provincial funding for the administration costs of FBA.
- 100% provincial funding for the Comprehensive Income Maintenance System (CIMS).

Further, the Association advises that it will be reviewing the matter of administration costs of the GWA delivery system during its forthcoming negotiations with the ministry regarding social assistance financial arrangements.

XI) Requests that pilot project municipalities not formalize any final agreements regarding the permanency of an integrated FBA/GWA delivery system, without working with AMO on the administrative, personnel and financial details. The Association strongly supports one "standardized" agreement for pilot project municipalities which also establishes guidelines for their individual municipal circumstances. These negotiations, presently in process, will provide a model for future study by AMO.

XII) Urges the present pilot project municipalities to negotiate "interim" agreements rather than long-term agreements for the continuation of their test situations, and to include in these "interim" agreements an "opt-out" clause.

XIII) Cautions its municipal membership not to voluntarily commence with the integrated delivery process except on an interim basis, and not until they have resolved to their satisfaction the issues as previously documented in this AMO Response.

DEFINITIONS:

Integration Monitoring and Evaluation Steering Committee:

A joint provincial-municipal committee comprised two AMO representatives, one representative from the Ontario Municipal Social Services Association, three provincial representatives and representatives from three of the pilot projects. This committee prepared the "Preliminary Findings" issued at the AMO Conference in August 1984, and the final report "One-Stop Service" in December 1984.

AMO Special Policy Integration Committee:

A twelve member ad hoc committee of AMO comprised of section and committee appointees created to respond to the report "One-Stop Service".

Pensioner or Residual Caseload:

The client group which will continue to receive services from a provincial caseworker. This includes clients who are chronically ill, disabled, developmentally handicapped, elderly or permanently unemployable. These people are in receipt of GAINS-D, or are on Vocational Rehabilitation maintenance allowances.

Employable or the Able-Bodied:

The client group which will be "transferred" to a municipally administered system. The addition of the word able-bodied is a key one. (i.e. a mother who theoretically may be physically capable of working is allowed the choice of remaining at home with her children.)

Child Care:

A general term referring to the care of children in circumstances where the adult caregiver has not been specifically trained in early childhood education, for example, private home care.

Day Care:

A more restrictive term referring to the care of children in circumstances supervised by fully-trained professionals or quasi-trained professionals, for example in a municipally licensed day care center or in a home care program supervised or monitored by municipal staff.

FOOTNOTES

1. Goldenberg, H. Carl, Task Force Report on Metropolitan Toronto (1967) p. 93

2. Stewart, Henery E., Report of the Hamilton-Wentworth Review Commission (May 1978) p. 182

3. Robarts, J., Report of the Royal Commission On Metropolitan Toronto (1977) p. 199

APPENDIX A

SPECIAL POLICY INTEGRATION COMMITTEE: MEMBERSHIP

R.A. Illingworth, Mayor, Town of Aurora, Chairman of the Special Committee, and representing the AMO Health and Social Services Committee.

Ron Book, Councillor, Regional Municipality of Niagara, representing the County and Regional Section of AMO.

Marjorie Carroll, Mayor, City of Waterloo, representing the AMO Labour Relations Committee.

Michael Dietsch, Councillor, Regional Municipality of Niagara, representing the AMO Fiscal Policy Committee.

Al Gleeson, Mayor, City of London, representing the Large Urban Section of AMO.

Janet Golding, Alderman, City of St. Thomas, representing the Small Urban Section (OSUM) of AMO.

Gilles Gagnon, Mayor, Town of Hearst, representing the Northern Ontario Section (FONOM/NOMA) of AMO.

Rolf Hasenack, Councillor, Regional Municipality of Ottawa-Carleton.

Murray Hynes, Personnel Director, City of Peterborough.

Phil Johnston, Commissioner of Social Services, Regional Municipality of Waterloo, and representing the Ontario Municipal Social Services Association.

Mark Mieto, Director, Regional Health and Social Services, Regional Municipality of Sudbury.

Marianne Wilkinson, Mayor, City of Kanata, and First Vice-President, AMO.

APPENDIX B

AMO RESOLUTIONS

Integration of FBA/GWA

AMO Annual Conference 1982

HSS-1

CONSULTATION WITH AMO PRIOR TO MUNICIPAL ACCEPTANCE OF FBA/GWA INTEGRATION PILOT PROJECTS

Whereas certain municipalities in the Large Urban Section of AMO have been approached by the Minister of Community and Social Services to become pilot projects for the proposed integration of certain FBA recipients with GWA;

And whereas the Minister to date has refused to meet with representatives of AMO to discuss the financial and administrative implications of such integration;

And whereas there appears to be certain cost saving advantages to considering such integration;

Therefore be it resolved that while it is recognized that an individual municipality may accept the Minister's offer to become a pilot project, that this be done only on the condition that the Minister immediately commence negotiations with AMO with respect to the financial and administrative details.

HSS-2

THE PROPOSED CONSOLIDATION OF SOCIAL ASSISTANCE UNDER THE FAMILY BENEFITS ACT AND THE GENERAL WELFARE ASSISTANCE ACT

Whereas the Family Benefits Act and Regulations thereto establish the entitlement of certain applicants, including sole support parents in need, to receipt of assistance of a financial and other nature for a long term; and

Whereas by regulation, responsibility for the administration, issuance of assistance and follow-up of all such cases and all costs associated thereto has been borne solely by the Ministry of Community and Social Services of the Province of Ontario; and

Whereas the General Welfare Assistance Act and Regulations thereto establish the entitlement of certain applicants in need of receipt of financial and other assistance of a short term nature; and

Whereas by regulation, responsibility for the administration, issuance of assistance and follow-up of all such cases has been borne by municipalities with subsidies, ranging from 50% to 100%, having been provided upon most approved costs associated thereto by the Ministry of Community and Social Services of the Province of Ontario; and

Whereas the Honourable Frank Drea, Minister of Community and Social Services of Ontario announced in his address to the Annual Meeting and Conference of the Ontario Municipal Social Services Association on 1 June, 1981 that, "... for certain regional municipalities to administer Family Benefits along with their current responsibility for G.W.A." and, "It is my intention, therefore, to begin negotiations for the transfer of these recipients back to the municipal system"; and

"If we work at it, I am sure that we can develop a mechanism that will see one standard level of cost-sharing across all municipal social service programs.", and "... I would like to see some pilots implemented immediately in a few municipalities ... and I now invite you and your councils to let us know your intentions."; and

Whereas we highly commend the Honourable Minister for his forethought and completely endorse his expressed opinion that amalgamation of the two delivery systems would effect economies and improve client service; and

Whereas notwithstanding such endorsation and commendation, municipalities must be concerned at the possible additional fiscal responsibilities involved in their assumption of the new system and need to be aware of the Honourable Minister's intentions with respect to the percentage contemplated in the "one standard level of cost-sharing across all municipal social service programs", in order that they may analyse and compare present and future municipal fiscal implications;

Therefore be it resolved that the Minister of Community and Social Services of the Province of Ontario be petitioned to rationalize his intentions and to make public the percentage of provincial support which may be expected by municipalities in the form of "one standard level of cost-sharing across all municipal social service programs", in order that all municipalities, which may subsequently be involved, be enabled to analyse the fiscal effects upon the local tax base and thereafter be more competent to respond positively to the Honourable Minister's intention to reform the social service delivery system in Ontario and to his invitation for municipal co-operation and participation in that reform.

(* Reaffirmed in 1982 by AMO Annual Conference)

HSS-3

OBJECTION TO THE PROPOSED AMALGAMATION OF FAMILY BENEFITS ALLOWANCE AND GENERAL WELFARE ASSISTANCE

Whereas the Ministry of Community and Social Services has indicated that it is to transfer the responsibility for the Mother's Allowance and permanently unemployable case loads of its Family Benefits Program to the municipalities which represents a minimum of 60% increase to the municipal welfare case load and in some municipalities it would double the case load;

And whereas the Minister has stated that the municipalities would not be required to assume any additional costs for the programs and administration with the transfer of Family Benefit cases to General Welfare for the first eighteen (18) months while a single cost-sharing formula for all General Welfare cases is being developed;

And whereas by 1985 the General Welfare Assistance costs to the municipalities could be doubled if the economic situation does not improve;

And whereas this amounts to the dumping of millions of dollars of Provincial costs on to the municipalities without allowing municipalities to broaden their tax base;

Now therefore be it resolved that this Association inform the Honourable Minister of Community and Social Services of the Province of Ontario that we strongly object to implementation of Family Benefits and General Welfare Assistance prior to any consultation and agreement with AMO on program and costs.

HSS-4

THE COST IMPLICATIONS REGARDING THE PROVINCIAL INITIATIVES ON SOCIAL SERVICE FUNDING

That the Minister clearly outlined to each elected Council the dollar meaning of "within the current costsharing ratios" for both the immediate and long-term costs involved in the transfer of Family Benefits Act programs and that the transfer not be implemented until the municipalities have been given an opportunity to review the cost implications and respond accordingly to the Province, which response may be of necessity, municipal refusal to accept the transfer.

HEALTH AND SOCIAL SERVICES

HSS-1

GOVERNMENT OF ONTARIO TO ASSUME THE COMPLETE RESPONSIBILITY FOR THE TOTAL COST INVOLVED IN THE PROVISION AND DELIVERY OF UNIFIED INCOME MAINTENANCE INCLUDING FAMILY BENEFITS

Whereas the Province of Ontario in association with a number of selected municipalities is testing the feasibility and practicality of delivering the provincial Family Benefits Program, together with the municipally-run General Welfare Assistance Program as a joint program at the local level; and

Whereas it is the apparent intention of the Province to eventually shift its Family Benefits Program on down to all municipalities; and

Whereas local government should not be responsible for basic income maintenance programs which are entirely formulated, designed and controlled by the Province without consultation with or say by municipalities, but at considerable cost to the latter; and

Whereas income maintenance programs including Family Benefits and General Welfare Assistance in the vast majority of other provincial jurisdictions are delivered directly by the province without financial participation by local government;

Therefore be it resolved that the Province assume complete responsibility for the total cost involved in the provision and delivery of a unified income maintenance program including family benefits and general welfare assistance as is the practice in most other provinces.

Supplementary Information: The Association in its Policy Guidelines has stated:

> "HSS-05 - Income Maintenance
>
> Municipalities support the development of a single delivery system for income maintenance in Ontario. If municipalities are determined as the appropriate level of government to deliver this program, the Provincial Government must meet its responsibility to fund this integrated program."

Section Comment

County and Regional Section: At the 1984 Annual Meeting, not endorsed.

Large Urban Section: At the 1984 Annual Meeting, endorsed the resolution, the operative clause to read as follows:

"Therefore be it resolved that the Province assume complete responsibility for the provision and delivery of a unified income maintenance program including family benefits and general welfare assistance as is the practice in most other provinces."

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